

Old Age, Disability, Death

First and current law: 1969.
(Program initiated in 1977 on national level.)
Type of program: Social insurance system.
Exchange rate: U.S.\$1.00 equals 5.76 quetzales.

Coverage

All employees, including agricultural workers and some public employees. Special system for other public employees.

Source of Funds

Insured person: 1.5% of earnings.
Employer: 3% of payroll.
Government: 25% of cost of benefits paid; also contributes as employer.
Maximum earnings for benefit purposes: 3,000 quetzales a month.
Voluntary continuation of coverage: 4.5% of covered wages (maximum, 3,000 quetzales).

Qualifying Conditions

Old-age pension: Age 60. 180 months of contribution. Also payable to disabled at age 60 with at least 36 months of contributions in the 6 years before onset of disability. Retirement necessary from last employment.
Pension reduced if the pensioner works and earnings plus pension exceed base salary.
Disability pension: Loss of 2/3 of earning capacity (50-67% for partial disability). 36 months of contribution during last 6 years. Under age 60.
Survivor pension: Deceased met contribution conditions for disability or old-age pension or was pensioner at death.
In cases where disability or death result from an accident, 36 contributions in the 6 years prior to the accident are required.

Old-Age Benefits

Old-age pension: 50% of average monthly earnings during last 5 years of contribution, plus increment of 0.5% of earnings for each 6 months of contribution beyond 120 months.
Dependents' supplements: 10% of pension for wife or disabled husband and for each child under age 18 or disabled.
Minimum and maximum pension (including dependents' supplements): 140 quetzales and 2,400 quetzales a month, respectively. Family maximum: 80% of earnings (up to 3,000 quetzales).

Permanent Disability Benefits

Disability pension: 50% of average monthly earnings during last 3 years of contribution, plus increment of 0.5% of earnings for each 6 months of contribution beyond 120 months.
Dependents' supplements: 10% of pension for wife or disabled husband and for each child under age 18 or disabled.
Minimum and maximum pension: 140 quetzales and 2,400 quetzales a month, respectively. Family maximum, 80% of earnings (up to 3,000 quetzales).

Constant-attendance supplement: 25% of pension; minimum and maximum, 35 and 140 quetzales a month, respectively.
Partial disability: Half of pension for total disability.

Survivor Benefits

Survivor pension: 50% of disability pension paid or payable to insured.
Minimum pension, 70 quetzales a month. Payable to widow or disabled widower.
Orphans: 25% of pension of insured (minimum, 35 quetzales a month) for each orphan under age 18 (no age limit if disabled), or 50% for each full orphan (minimum, 70 quetzales a month).
Parents: 25% of pension each. Minimum, 35 quetzales a month.
Maximum survivor pensions: 100% of disability pension of insured; sum of minimum survivor benefits cannot exceed 140 quetzales a month.
Funeral grant: 375 quetzales.

Administrative Organization

Ministry of Labor and Social Welfare, general supervision.
Guatemalan Social Security Institute, administration of program, directed by tripartite board. Oversight by Comptroller General.

Sickness and Maternity

First laws: 1946, 1953 (maternity).
Current laws: 1968.
Type of program: Social insurance system. Cash and medical benefits.

Coverage

Employees of firms with 5 or more workers (3 or more workers in the Department of Guatemala) and public employees in 10 departments, including Department of Guatemala. Free medical care (for accidents, sickness and maternity) for those receiving pensions under old-age, disability, and death program.

Source of Funds

Insured person: 2% of earnings.
Employer: 4% of payroll
Government: 2% of payroll.

Qualifying Conditions

Cash benefits: 3 months of contributions in 6 months prior to onset of risk.
Benefits in kind: In covered employment.

Sickness and Maternity Benefits

Sickness benefit: 2/3 of average earnings (according to applicable formula).
Maximum: 1,200 quetzales a month.
Sickness benefit: Payable after 3-day waiting period for up to 26 weeks for some illnesses (may be extended to 39 weeks).
Benefit for multiple periods of illness cannot exceed 52 weeks in 24 months.

Maternity benefit: 100% of earnings payable for 30 days before and 54 days after confinement. In the case of adoption, 54 days from the day the child is delivered to the family. Nursing mothers are also permitted a half hour twice a day or one hour before or after work to nurse their child for up to 10 months.

Workers' Medical Benefits

Medical benefits: Medical services ordinarily provided directly to patients through medical facilities of Social Security Institute. Includes general and specialist care, surgery, maternity care, hospitalization, pharmaceuticals, laboratory services, appliances, transportation, rehabilitation, and retraining. Benefits provided in the case of any illness, as well as for accidents. Treatment abroad may be authorized with a limit of US\$15,000.

Dependents' Medical Benefits

Medical benefits for dependents: Wife or companion of an insured man receives same maternity care as insured woman, and in 10 Departments also receives sickness and accident benefits. Newborn infant of insured man or woman receives layette, milk or other dietary items, and pediatric care for up to 5 years. Up to age 15 if congenital illness or deformity.

Administrative Organization

Ministry of Labor and Social Welfare, general supervision.
Guatemalan Social Security Institute, administration of program.
Institute operates 37 hospitals, 14 clinics, and 28 first-aid stations.

Workers' Medical Benefits

Medical benefits: Medical treatment and surgery, hospitalization, medicines and appliances, transportation, rehabilitation services, and retraining.

Survivor Benefits

Funeral grant: 375 quetzales.

Administrative Organization

Ministry of Labor and Social Welfare, general supervision.
Guatemalan Social Security Institute, administration of contributions and benefits.
Institute provides medical benefits through its own hospitals and clinics.

Unemployment

In January 1991, a *Cash Compensation for Period of Service Fund* was established. Employees must make monthly contributions into savings accounts, based on total salary. When the worker's employment ends, sums accumulated in his or her account, plus normal interest earnings, are payable to the employee.

Contact—Barbara E. Kritzer—202-282-7293

Work Injury

First law: 1947.
Current law: 1949.
Type of program: Social insurance system.

Coverage

All insured workers in the country.

Source of Funds

Insured person: 1% of earnings.
Employer: 3% of payroll.
Government: 1.5% of payroll.

Qualifying Conditions

Work-injury benefits: 3 months of contributions prior to onset of risk.

Temporary Disability Benefits

Temporary disability benefit: 2/3 of earnings; minimum benefit, 5 quetzales daily.
Maximum benefit: 1,200 quetzales monthly.
Waiting period: 1 day.

Permanent Disability Benefits

Permanent disability benefit: Lump sum of 450-4,500 quetzales, according to degree of incapacity. May be paid in not more than 4 installments when the amount exceeds 600 quetzales.